CREDIT UTILIZATION AND REPAYMENT PERFORMANCE OF SELECTED MEMBERS OF THE MULTI-PURPOSE COOPERATIVES IN CAVITE

Undergraduate Thesis
Submitted to the Faculty of the
College of Economics, Management, and Development Studies
Cavite State University
Indang, Cavite

In partial fulfillment
of the requirements for the degree
Bachelor of Science in Business Management

ROSEANGELYN M. DIGNO
MARK JAMES C. LORIAGA
June 2018

ABSTRACT

DIGNO, ROSEANGELYN M. and LORIAGA, MARK JAMES C. Credit Utilization and Repayment Performance of Selected Members of the Multi-purpose Cooperatives in Cavite, Undergraduate Thesis. Bachelor of Science in Business Management, major in Financial Management. Cavite State University, Indang Cavite. May 2018. Adviser: Mr. Zandro Marges Catacutan.

This study aimed to determine the credit utilization and repayment performance of selected multi-purpose cooperatives members in Cavite. Specifically, it aimed to: (1) determine the socio-demographic profile of the participants in terms of: (a) age, (b) sex, (c) civil status, (d) occupation, (e) educational attainments, (f) household size, (g) years of membership in multi-purpose cooperatives, and (h) estimated total monthly gross family income; (2) determine the credit profile of the participants in terms of: (a) amount of latest loan availed, (b) monthly interest rate of being charged, and (c) term of loans; (3) assess the credit utilization of the participants in terms of: (a) business, (b) education, (c) health, and (d) lifecycle needs; (4) determine the level of repayment performance of the participants in terms of: (a) mode of payment, (b) payment status, and (c) factors affecting repayment performance; (5) ascertain the significant difference in credit utilization of members of multi-purpose cooperatives in terms of socio-demographic profile; and (6) ascertain the significant difference in repayment performance of members of multi-purpose cooperatives in terms of socio-demographic profile.

The study used frequency counts, mean, range, percentage, standard deviation, analysis of variance (ANOVA), and post hoc for treatment of data. Likert scale was used to measure the credit utilization and repayment performance in terms of factors affecting repayment performance of multi-purpose cooperatives members.

Most of the participants used their credit for education purpose and paid monthly as their repayment mode. The result also showed most of the participants strongly agree that factors on why they repay their credit and agree that factors on why they gave priority to repay might affect their repayment performance.

Result of the study shows that credit utilization on business, health, clothing and footwear, and leisure and recreations were found to have significant difference when it comes to age while credit utilization on business and health were found to have significant difference as grouped to sex. Credit utilization on education and leisure and recreations were found to have significant difference when it comes to civil status. However, credit utilization on business, education, and lifecycle needs were found to have significant difference when it comes to occupation. Credit utilization on education, food and beverages, and leisure and recreations were found to have significant difference when it comes to educational attainments. Credit utilization on leisure and recreations was found to have significant difference as grouped to household size while credit utilization on business, food and beverages and leisure and recreations were found to have significant difference when it comes to years of membership of multi-purpose cooperative members. Moreover, credit utilization on food and beverages and leisure and recreations were found to have significant difference as grouped to estimated total monthly gross family income. There is significant difference in factors affecting repayment performance and age, sex occupation, educational attainments, household size, and years of membership in multipurpose cooperatives.

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